

REMARKS

The above amendments and these remarks are responsive to the Office Action issued on March 15, 2006. By this response claims 1-11, 13, 17, 19, 20, 22 and 24 are amended, and claims 15, 27 and 28 are cancelled without prejudice. No new matter is added. Claims 1-13, 16, 17, 19-22 and 24-26 are now active for examination.

The Office Action rejected claim 27 under 35 U.S.C. 112, first paragraph for failing to comply with the written description requirement. Claims 1, 4-11, 15-17, 19 and 22 were rejected under 35 U.S.C. 102(b) as being anticipated by DeTore et al (U.S. Patent 5,732,397). Claims 2, 12, 13, 20 and 21 were rejected under 35 U.S.C. 103(a) as being unpatentable over DeTore in view of Toy (U.S. Patent No. 4,554,418). Claim 3 stood rejected under 35 U.S.C. 103(a) as unpatentable over DeTore in view of Kalmus (US Patent No. 4,674,044). The Examiner rejected claims 24-26 as being unpatentable over DeTore in view of Fernholz (US Patent No. 5,819,238). Claims 27 and 28 were rejected under 35 U.S.C. 103(a) as being unpatentable over DeTore.

It is respectfully submitted that the rejections are either overcome or moot in view of the amendment and/or remarks presented herein.

The Rejections of Claims 15, 27 and 28 Are Moot

By this Response, claims 15, 27 and 28 are cancelled without prejudice. Accordingly, the rejections of claims 15, 27 and 28 are moot.

The Anticipation Rejection of Claims 1, 4-11, 16, 17, 19 and 22 Is Overcome

Independent claims 1 and 19, as amended, describe a rule engine including at least one rule having a plurality of preset outcomes appropriate to a transaction. The at least one rule has

an assigned outcome selected from the plurality of preset outcomes. A user is allowed to change the assigned outcome from a first one of the preset outcomes to a second one of the preset outcomes. Claims 6 and 22, as amended, describe a rule engine having an assigned scope of application. The assigned scope is selected from a plurality of preset scope. A user is allowed to change the assigned scope from a first one of the plurality of preset scope to a second one of the plurality of preset scope. Appropriate support for the amendment can be found in, for instance, page 7, lines 28 through page 9, line 10 and Figures 3A and 3B.

For instance, as shown in Figure 3B, a user is allowed to selectively change the outcome associated with rule 1141 by selecting one of preset outcomes including stop, approval, warning or acceptance. Furthermore, four preset levels for application of the rule can be set. An exemplary level reflects a varying scope of application from the very narrow account level to the broadest application of the rule, namely the firm level, by selecting from one of preset application scope. The scope of a particular rule can be set to be applicable only to a particular account, to a particular registered representative, to a particular office of a broker-dealer firm or to the broker-dealer firm itself.

In the Office Action, it was asserted that DeTore anticipates claims 1, 6, 19 and 22 because a software designer, during the initial development stage of a software program used in DeTore, is free to program initial outcomes or scope associated with rules. However, it is submitted that such assignment of outcomes or application scope during the initial software design is arbitrary or dependent on the programmer's preference. The designer in DeTore does not assign an outcome or scope to a rule by selecting from a plurality of preset outcomes or scope pre-stored in a machine-readable medium. Furthermore, DeTore does not specifically describe that a user of DeTore's system is allowed to change the assigned outcome or scope from

a first one of the plurality of preset outcomes or scopes to a second one of the plurality of preset outcomes or scope, as described in claims 1, 6, 19 or 22.

Since DeTore fails to disclose every limitation of claims 1, 6, 19 and 22, DeTore cannot support a prima facie case of anticipation. The anticipation rejection of claims 1, 6, 19 and 22 is untenable and should be withdrawn. Favorable reconsideration of claims 1 and 19 is respectfully requested.

Claims 4, 5 and 7-11 depend on claims 1 and 6, respectively, and incorporate every limitation thereof. Accordingly, claims 4, 5 and 7-11 are patentable over DeTore by virtue of their respective dependencies from claims 1 and 6. Favorable reconsideration of claims 4, 5 and 7-11 is respectfully requested.

It is further noted that the reasoning used in rejecting claims 8-11 appears to be questionable. Claims 8-11 depends on claim 6 and further describe that the assigned scope of application is set to the registered representative level, the office level, the firm level or the global level. In rejecting claim 8, the Office Action contended that DeTore teaches the claimed features in column 5, lines 13-27. However, the cited paragraph merely describes that a decision manager is allowed to review data base 30. The cited paragraph, however, does not specifically describe that the rules are applied using the preset scope, as described in claim 8. Moreover, in rejecting claims 9-11, the Office Action merely asserted DeTore anticipates claims 9-11 because DeTore's system is capable of being set to different levels in a hierarchical system, and went on concluding that DeTore can set application scope to the office level, the firm level or the global level, as described in claims 9-11, despite that the claimed features were not available in DeTore. It is respectfully submitted that the anticipation rejection is in contrary to the mandate charged to the Examiner requiring a prima facie anticipation rejection be established by producing a single

document including all the claimed features. Favorable reconsideration of the claims is respectfully requested.

By this Response, claim 16 is rewritten into independent form incorporating all the limitations from its base claim 15. It is respectfully submit that the features described in claim 16 are not disclosed by DeTore.

Claim 16, as amended, describes a method for processing a transaction comprising the step of checking the transaction by first applying rules at the account lever, then rules at the registered representative level, then rules at the office level, then rules at the firm level and then rules at the global level. According to an exemplary embodiment described in the written description, a check is made to see if customized rule settings are in effect for the corresponding broker-dealer firm (905). If they are (905-Y), the rules engine would check the account level rules or the account range to see if the account level rules are satisfied (910). Then it checks rules associated with the registered representative (915), rules for the particular office from which the order originates (970) and the firm level rules (including system level rules and compliance rules) applicable to the broker-dealer firm (930). Once all of the outcomes from all of the checks (910-930) are determined, the outcomes are reviewed to determine the appropriate action to be taken (960). If the outcome is stop (960-stop), the order is rejected (965) upfront with the applicable message(s) for the rule(s) violated. If the outcome is warning (960-warning), the order is sent to the appropriate order execution process and a message is sent to the broker-dealer firm with the warning. If the outcome is approval (960-approval), the order is sent to the corresponding broker-dealer firm for approval along with a message as to the specific rules violated. If it is approved (970-Y) by the broker-dealer firm, the order is forwarded to the appropriate order execution process for fulfillment (980). If the order does not come back approved from the broker-dealer firm, it is assumed that the order was rejected by the broker-

dealer firm. If the outcome is approved (960-approved), the order is passed to the appropriate order execution process (980).

In rejecting claim 16, the Office Action, despite DeTore's failure in disclosing the specific sequence and various levels of application scope, speculates that DeTore's system is capable of performing the claimed features. However, nowhere does DeTore discuss the specific sequence and various levels of application scope as described in Claim 16. Apparently, the Examiner's speculation was artificial and was based on Applicant's own disclosure, not from the teaching of DeTore. It is respectfully submitted that the Examiner has not discharged his duty in establishing a prima facie case of anticipation by producing a single document including all the claimed features. The anticipation rejection is untenable and should be withdrawn. Favorable reconsideration of claim 16 is respectfully requested.

Claim 17, as amended, depends on claim 16 and incorporates every limitation thereof. Therefore, claim 17 is patentable over DeTore by virtue of its dependency from claim 16.

The Obviousness Rejection of claims 2, 12, 13, 20 and 21 Is Overcome

Claims 2, 12, 13, 20 and 21 depend on claims 1, 6 and 19, respectively, and incorporate every limitation thereof. The Office Action rejected claims 2, 12, 13, 20 and 21 as being unpatentable over the combination of DeTore and Toy.

However, as discussed earlier, DeTore fails to disclose the features of claims 1, 6 and 19. The other cited document, Toy, was relied on by the Examiner for its purported discussion of an information monitoring and notification method and apparatus, but does not alleviate the deficiencies of DeTore as discussed earlier relative to claims 1, 6 and 19. Accordingly, DeTore and Toy, even if combined, do not disclose every limitation of claims 2, 12, 13, 20 and 22 by

virtue of their respective dependencies on claims 1, 6 and 19. Favorable reconsideration of claims 2, 12, 13, 20 and 22 is respectfully requested.

The Obviousness Rejection of claim 3 Is Traversed

Claim 3 depends on claim 1 and was rejected as being unpatentable over DeTore in view of Kalmus. The obviousness rejection is respectfully traversed because DeTore and Kalmus cannot support a *prima facie* case of obviousness.

By virtue of its dependency, claim 3 incorporates every limitation of claim 1. As discussed earlier, DeTore does not teach every feature of claim 1. The other document, Kalmus, was cited by the Examiner for its purported disclosure of an automated securities trading system. However, Kalmus does not alleviate the deficiencies of DeTore. Accordingly, DeTore and Kalmus, even if combined, do not meet every limitation of claim 1. Therefore, claim 3 is patentable over the combination of DeTore and Kalmus by incorporating all the features from claim 1. Favorable reconsideration of claim 3 is solicited.

The Obviousness Rejection of claims 24-26 Is Overcome

Claims 24-26 were rejected as being unpatentable over DeTore in view of Fernholz. The obviousness rejection is respectfully overcome because DeTore and Fernholz cannot support a *prima facie* case of obviousness.

Claim 24, as amended, describes an apparatus comprising a client process for generating and sending a transaction containing a request to transfer assets between accounts, and a rules engine for receiving the transaction from the client process and applying at least one user configurable rule to the transaction. The at least one user configurable rule includes at least one rule with user configurable scope of application, or at least one rule with a user configurable

outcome. At least one execution process is provided for receiving the request from the rules engine and for transferring assets as requested, when application of rules by the rules engine results in an approved outcome. The at least one rule with user configurable scope of application includes an assigned scope of application selected from a plurality of preset scope. A user is allowed to change the assigned scope from a first one of the plurality of preset scope to a second one of the plurality of preset scope. Furthermore, the at least one user configurable rule comprises a rule having an assigned outcome selected from a plurality of preset outcomes. A user is allowed to change the assigned outcome from a first one of the plurality of preset outcomes to a second one of the plurality of preset outcomes.

As discussed earlier relative to claims 1, 6, 19 and 22, DeTore does not teach that at least one rule with user configurable scope of application includes an assigned scope of application selected from a plurality of preset scope, and that a user is allowed to change the assigned scope from a first one of the plurality of preset scope to a second one of the plurality of preset scope. Furthermore, DeTore also fails to disclose that the at least one user configurable rule comprises a rule having an assigned outcome selected from a plurality of preset outcomes, and that a user is allowed to change the assigned outcome from a first one of the plurality of preset outcomes to a second one of the plurality of preset outcomes.

The other cited document, Fernholz, was relied on for its alleged descriptions related to sending instructions to perform balance transfer, and does not alleviate the deficiencies of DeTore. Thus, DeTore, even if modified by the alleged feature from Fernholz as asserted in the Office Action, does not meet every limitation of claim 24. Accordingly, claim 24 is patentable over the combination of DeTore and Fernholz. Favorable reconsideration of claim 24 is respectfully requested.

Claims 25 and 26 depend on claim 24 and incorporate every limitation thereof.

Consequently, claims 25 and 26 also are patentable over DeTore and Fernholz by virtue of their dependencies and based on their own merits. Favorable reconsideration of claims 25 and 26 is respectfully requested.

Conclusion

For the reasons given above, Applicants believe that this application is in condition for allowance, and request that the Examiner give the application favorable reconsideration and permit it to issue as a patent. If the Examiner believes that the application can be put in even better condition for allowance, the Examiner is invited to contact Applicants' representatives listed below.

To the extent necessary, a petition for an extension of time under 37 C.F.R. 1.136 is hereby made. Please charge any shortage in fees due in connection with the filing of this paper, including extension of time fees, to Deposit Account 500417 and please credit any excess fees to such deposit account.

Respectfully submitted,

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